



**Minutes of the Meeting of the Agri-Food and Biosciences Institute
(AFBI) Board
held at**

**AFBI Newforge (Headquarters), Belfast
on Wednesday 23 June 2010 at 10.00 am**

Present – Board Members

Prof David McDowell, Deputy
Chairperson
Mr Kieran Campbell
Dr Michael Hollywood
Mr James Noble
Prof Stewart McNulty
Mr Alan McKeown
Mr Seamus McCaffrey
Mrs Hilda Stewart
Mr John Rankin
Prof Grace Mulcahy
Mr Michael Walker
Mr Trevor Hinds

In Attendance - AFBI Executive

Dr Seamus Kennedy, CEO (Acting)
Dr Michael Camlin, DCEO
Dr Arthur Gilmour, DCEO (Acting)
Dr David Bryson, DCEO (Acting)
Mr Joel Ferguson, Head of Corporate Services Division (Acting)
Mr Venkat Deshpande, Head of Finance
Mr Paul Brennan, Head of Human Resources
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

Action

Prof McDowell chaired the meeting in the absence of Mr Hogan and opened proceedings with a word of welcome.

2. Apologies

Apologies were received on behalf of the Chair, Mr Seán Hogan.

3. Conflict of Interests Declaration

There were no "*Conflict of Interests*" declared.

4. Draft Minutes of the Previous Board Meeting held on 26 May 2010

On a proposal from Mr Rankin, seconded by Mr Walker, the Board approved the draft minutes from the previous meeting subject to the following changes:

Item 1 – Welcome and Introduction

Delete sentence and replace with the following –

“The Chair welcomed everyone present to the meeting especially those who were visiting AFBI Loughgall for the first time as AFBI Board members.

The Chair took the opportunity to thank all those who had been involved in making the arrangements and stated that the Board were very much looking forward to the tour of the grass breeding programme that will be taking place following the conclusion of the meeting.”

Item 9.2 - Veterinary Sciences Division (VSD)

Insert the following -

“DARD’s proposed TB Biosecurity project will be carried out by AFBI and have a large “field” component of approx 300-350 farms. The anticipated outcome of the study will be identification and quantification of risk factors for TB in cattle in NI which will be used to inform improved biosecurity advice to farmers.

AFBI’s Veterinary Sciences Division was the first laboratory in Europe to detect the incursion of pandemic (H1N1) 2009 influenza A virus into European pigs. A keynote paper by VSD staff describing epidemiological, virological and pathological findings in three outbreaks had recently been published in the Veterinary Record. It was concluded that all three outbreaks had occurred independently, potentially as a result of transmission of the virus from humans to pigs.

A few cases of a recently emerged condition of unknown cause, termed bleeding calf syndrome, (bovine neonatal pancytopenia) have been submitted to AFBI for investigation under AFBI’s remit to investigate new and emerging animal diseases.

VSD has recently carried out consultancy work with the government of Bangladesh, advising the authorities there on scientific issues related to chemical residues detection methods and food safety.

Insert the following text at the end of the minutes after Item 15 –

“Following the conclusion of business, the AFBI Board were given an insight and tour of the grass breeding programme at AFBI Loughgall.

Since the 1980s the grass breeding programme has delivered a host of new forage grasses which are widely used on local farms.

The Board also noted the special arrangements which are in place to test AFBI-bred grasses throughout the British Isles and further afield and learnt something of the commercial partnership contract that is currently in place with a leading seed specialist company.”

5. Matters Arising/Action Points from previous Board Meeting held on 26 May 2010 **Action**

The Chair proceeded on the basis that any Matters Arising or Action Points from the previous Board meeting held on 26 May 2010 had been resolved or would be addressed during the course of the meeting except for:

5.1 Draft Management Statement and Financial Memorandum (MSFM) (Item 5.1 – Mins 26 05 10)

As yet there had been no response from DARD. The Executive agreed that it would issue a further reminder.

Exec

5.2 AFBI Innovations – Development of an AFBI Contact in the United States of America (Item 5.3 Mins 26 05 10)

There have been no further developments since the last meeting. As soon as papers relating to a working model and proposed job description have been received from the Northern Ireland Bureau, they will be circulated to the Board for consideration and comment.

Exec

5.3 Budget Monitoring Report for Financial Year Ending 31 March 2010 – Letter to HR Connect (Item 5.4 – Mins 26 05 10)

A letter highlighting AFBI's dissatisfaction at the level of service currently being provided by HR Connect has been drafted and will be issued as soon as it has been signed by the Chair.

**Exec/
Chair**

5.4 HR Strategy – Communicating Board/SMT Decisions within AFBI (Item 10.1 – Mins 26 05 10)

A report on communication from the People Strategy, Staff Engagement and Communications Team (Team 2.1) is due by 30 June 2010. Following receipt of this report the Executive indicated that it should then be in a position to provide the Board with an update at the August Board meeting (23 August 2010).

Exec

5.5 Monthly Strategic Item – Science and Business Strategy (Item 11 – Mins 25 05 10)

At the request of the Board, the Secretary will include this on the agenda for the August Board meeting and the Executive will provide a more in-depth paper to aid discussion.

**Sec/
Exec**

6. Chairman's Business

Action

Prof McDowell referred to the recent letter from the Department of Finance and Personnel (DFP), (a copy of the letter had been circulated to Board members prior to the meeting), granting DFP approval for AFBI to implement a "*Rewards and Recognition to Staff Scheme*".

In commenting on how pleased he was with this development, Prof McDowell reflected on how this had been one of the first objectives of the AFBI Board in 2006 and noted the length of time and various hurdles that have had to be overcome since work commenced.

Prof McDowell took the opportunity to thank both the Remuneration Committee and the Executive for their sterling work and in particular, paid compliment to the work carried out by Mr Ferguson in the latter stages of the process.

It was also noted that, in so far as the Executive were aware, this was the first Rewards and Recognition to Staff Scheme formally approved by DFP in Northern Ireland and the Board congratulated the Executive and the Remuneration Committee on its achievement.

Both the Executive and the Board were keen to reassure staff working in areas within AFBI where the scope for innovative research may be limited, that they would not be overlooked in terms of reward and recognition and the Executive were presently considering draft proposals/recommendations from the HR Talent Reward and Recognition Team (Team 2.2).

The next stage in the process will involve the drafting of operational procedures. The Remuneration Committee and members of AFBI Senior Management Team will work on this over the next few months with the aim of bringing a paper to the Board for noting and approval. At the same time the Policy governing the Scheme will be finalised and submitted to the Board for approval prior to implementation.

RC/
AFBI
SMT

7. Finance

7.1 AFBI Budget Monitoring Report at 31 May 2010

The Executive presented the Budget Monitoring Report for the period ending 31 May 2010.

The Executive highlighted a slight presentational change to the report with "*income*" and "*capital*" now included under the heading of "*Cumulative Percentages*"

Following discussion on a number of issues, the Board signified that they were content with the report subject to the Executive making a minor

Exec

adjustment to the figures entered on Row 8 “*Deprec. Etc*”.

Action

7.2 Update on Strategic Actions to Meet Savings in the DARD Grant-in-Aid

7.2.1 *Northern Ireland Civil Service Equal Pay Deal*

The Executive advised that the major financial development occurring since the date of the last meeting was in relation to the Northern Ireland Civil Service (NICS) Equal Pay Deal (EPD) with there having been a sharp increase on the previous estimates of the total costs to AFBI.

While, the Board and the Executive acknowledged the substantial increase in the estimated cost, nevertheless the principle remains the same with AFBI committed to honouring its legal obligations in relation to the EPD.

A revised Business Case that reflects the increase has now been submitted to DARD for consideration and onward transmission to the Department of Finance and Personnel (DFP) and the Executive are hopeful that DFP will approve this in the near future.

7.2.2 *Establishing the Cost of the DARD Work Programme*

The exercise of costing the present DARD work programme is almost complete. Following completion, the Executive will present DARD with the findings and this information should better enable DARD to make strategic decisions and help prioritise the future work programme.

Given the current financial climate and the impending savings that will have to be made, the Board, based on previous experience in its dealings with DARD, expressed concern at the possibility of a time delay in receiving a decision from DARD and this in turn will undoubtedly cause problems for AFBI.

In light of the Board’s concern it was proposed that the Executive write to the DARD Permanent Secretary and seek an indication of a likely timeframe for a DARD response. However, it was agreed that if a positive response is not forthcoming, then the Chair should write to the Minister.

Exec

The Board signified that it was completely supportive of the actions being taken by the Executive in what is a difficult period for the institute and asked that this matter remain on the agenda for future Board meetings.

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In response, the Executive acknowledged the support of the Board and were appreciative of the comments.

8.	Divisional Reports	Action
8.1	<u>Corporate Services</u>	
8.1.1	<i>AFBI Innovations</i>	
	<p>The Board received a summary update on the work being undertaken by AFBI Innovations and were content to note.</p> <p>During discussion on the summary update, the Executive highlighted a number of issues for the benefit of the Board –</p> <ul style="list-style-type: none"> • <i>Marketing and Business Development Strategy</i> <p>Work has commenced on this project and meetings are taking place at present with a sub-group on target to complete the draft Business and Marketing Strategy by August 2010 with Branch Business Development Plans and a Corporate Implementation Plan being produced in early September.</p> <ul style="list-style-type: none"> • <i>25k Awards</i> <p>AFBI had been successful again this year in reaching the final stages of the 25k Awards and the Board and Executive offered its congratulations to Mr Malcolm Taylor. In noting the achievement, the Board were also informed that the Chair had written to Mr Taylor.</p> <p>It was proposed and accepted that Mr Taylor should make a presentation to the Board on his successful 25K Awards entry and this is to be coupled with a presentation from a member of AFBI staff involved in statutory work within the Institute. The Executive accepted the proposal and will make arrangements for this to be undertaken at a future Board meeting.</p> <p>The Executive also drew the Board's attention to the fact that this year (2010/11) will be the final year of PRSE4 funding and, as yet, it is still not clear if there will be a successor fund. It was agreed that a letter from the Board to Her Majesty's Treasury, in support of the Scheme may be beneficial and the Executive agreed to provide the Chair with a draft for consideration and approval.</p>	<p>Exec</p> <p>Exec</p>
8.1.2	<i>AFBI HR</i>	
	<ul style="list-style-type: none"> • <i>Equal Pay Issue</i> <p>Further to the earlier report and comments relating to this issue (Item 7.2.1 refers), the Executive informed the Board that a Business Case had been submitted to DARD on the 8 June 2010 and is now with DFP for approval.</p>	

- *Former ARNI Staff Pensions Issue*

Action

NILGOSC have supplied figures in response to the letters that were received from individual staff members who had requested a transfer of their accrued pension benefits from NILGOSC to the PCSPS(NI). The staff members involved now have until mid-July to confirm whether or not they wish to proceed with the transfer request.

With regard to the cessation issue there have been no further developments and the matter still resides with DARD at this time.

- *Redundancy*

A scoping exercise has now been completed which reflects the steps to be taken in advance of any redundancy scheme being introduced. AFBI had approached DFP with a request to meet to discuss the latest position with redundancy, taking account of the recent Cabinet Office proposals for change to the Civil Service Compensation Scheme. DFP have advised that it is unlikely to agree to such a meeting given AFBI's position as an NDPB. A meeting has been arranged with Civil Service Pensions which it is hoped will serve the same purpose as the proposed DFP meeting.

In response to the report from the Executive on AFBI HR matters, the Board were reassured to note the work being undertaken and pleased to learn that the Executive was up-to-date with the various issues.

8.1.3 *AFBI Finance*

Preparatory work is presently ongoing in relation to the completion of the 2009/10 AFBI Accounts and the forthcoming Northern Ireland Audit Office review.

The Executive is on target to have the draft Accounts for 2009/10 with the AFBI Audit Committee by this Friday (25 June 2010) and, following clarification and clearance of any issues, the Accounts will be submitted to the NIAO by 5 July 2010.

8.2 Veterinary Sciences Division

8.2.1 *Research and Development*

Dr Bryson informed the Board that three research proposals had been submitted from VSD to the DARD Research Challenge Fund and the outcome was awaited.

Calls are expected during July in relation to EU Framework 7 proposals and VSD would hope to build on the good working relationships that it has established with partners in China, India and others in the Asian market. It would be represented at an EU FP7 Workshop meeting to be held in London in July.

Approaches have been made to VSD from two multinational pharmaceutical companies seeking assistance from AFBI. Dr Bryson noted that AFBI had been approached on the strength of its published scientific papers, which underlines the continuing need for AFBI to maintain its high international scientific track record. He also noted that AFBI's Virology Branch had retained its expertise in core virological skills which were becoming a scarce commodity in an increasingly molecular virology world. He felt that retention of such skills would be of increasing importance and advantage in the future.

8.2.2 *Animal Disease Surveillance*

Dr Bryson also noted that the TSE confirmatory unit at VSD had recently achieved an excellent report in a recent ring trial organised by the European Reference laboratory.

Dr Bryson noted that the Minister had visited VSD on June 15 to hear more of the work being carried out on Brucella strain typing and tracing of parentage in support of DARD.

8.2.3 *VSD Infrastructure (Main Building)*

Dr Bryson highlighted ongoing issues relating to the use of the Main Building at VSD which is now more than 40 years old. He noted that he was Chair of a Project Board which had AFBI, DARD and CPD membership and which was considering future options regarding refurbishment/replacement of the main building. While health and safety issues surrounding the use of the building are being addressed meetings of the Project Board are temporarily "*on hold*" pending submission to DARD of a Strategic Outline Business Case (SOBC), based on the AFBI Estates Strategy.

In response, the Board questioned if they had a role to play in relation to this matter. Dr Bryson advised that following submission of the SOBC he would expect the project team meetings with DARD to resume and subsequent to that a letter, from the Board might be of benefit in helping to keep matters moving forward.

8.2.4 *Case for a SAPO4 Facility*

To date there has been no official response from DARD on this matter.

8.3 Applied Plant Science and Biometrics Division (APSBD)

Dr Camlin provided the Board with a report on a recent success that resulted in AFBI signing a new contract with a commercial mushroom grower. Dr Camlin indicated that for a number of work areas, APSBD was following the models established by the plant breeding programme contracts in seeking external funding for the more commercial elements of the work, supported by parallel bids to DARD for funding of the more strategic areas.

Dr Camlin also echoed the Board's recognition of the importance of external part-funding from organisations such as the Home Grown Cereal Authority (HGCA) for cereals Recommended List work and the excellent efforts of Drs White and Black during the recent HGCA Board visit to Northern Ireland and at the Cereals 2010 event in Cambridgeshire.

Dr Camlin indicated that staff from APSBD had offered to assist in a NI-CO contract bid to provide plant health expertise to the Kingdom of Jordan following on from previously well received animal health work. AFBI have recently agreed a full cost recovery model with NI-CO for such work. A further benefit is the opportunity to develop valuable international contacts for AFBI.

Finally, Dr Camlin highlighted a serious impending skills and expertise gap in the same plant health area due to the resignations and retirement of two long serving Higher Scientific Officers and one Senior Scientific Officer in the period May to October 2010. Covering this situation will require serious re-marshalling of resources and inevitable retraining within the Division over the next year or more.

8.4 Agriculture, Food and Environmental Science Division (AFESD)

8.4.1 *Agriculture Branch*

Dr Gilmour informed the Board that Agriculture Branch had submitted three projects for consideration to the DARD Research Challenge Fund and is confident that all will be successful. The Board will be kept updated as matters progress.

Agriculture Branch have also been successful in a bid for an EU Framework 7 research project titled "*Sustainable organic and low-input dairy production*" and will partner the Institute of Biological, Environmental and Rural Sciences, Aberystwyth. The three key components of the work that AFBI will be involved with are –

1. Evaluation of dairy cattle genotypes which are perceived to be adapted to organic and low input milk production systems.
2. Efficiency of utilization of energy for maintenance and lactation in conventional and adapted breeds.
3. To derive estimates of energy utilization by dairy cows on high forage diets.

These are all areas that AFBI has expertise in.

Another notable achievement for Agriculture Branch came in the area of postgraduate studentships. The best presentations made by Year 2 and Year 3 PhD students from the Institute of Agriculture and Land Use, QUB were given by students working within AFBI and studying under the supervision of Dr Conrad Ferris.

8.4.2 *Agri-Environment Branch* **Action**

Tricia Henton, Director of the Northern Ireland Environment Agency visited AFBI Hillsborough on Wednesday 16 June 2010 to meet with representatives of both Agri-Environment Branch and Agriculture Branch to discuss the research being undertaken on water quality.

8.4.3 *Food Chemistry Branch*

Dr Linda Farmer and Dr Norman Gault are in the process of arranging a collaborative visit to the Chinese Academy of Agricultural Sciences (CAAS) to consider and discuss matters pertaining to meat quality testing.

8.4.4 *Food Microbiology Branch*

Dr Margaret Patterson has been elected as Vice-President of the Institute of Food Science and Technology. This is a notable achievement not only for Dr Patterson but for AFBI and the Board asked that the Executive convey its congratulations to Dr Patterson.

Exec

8.5 Agriculture and Food Economics Branch (AFEB)

Dr Kennedy reported that the Branch was hopeful of winning renewal of a contract involving all of the devolved administrations within the United Kingdom. However, the current financial climate may have a bearing on the final outcome.

9. **Monthly Strategic Item – Potential Commercialisation Models**

The Executive presented the Board with a revised version of a paper that had been submitted to the Board previously in October 2009.

In response the Board acknowledged that the establishment of a holding company may well be significant to AFBI's future and the long term sustainability of the institute.

Following consideration of the recommendations outlined in the paper, the Board signified that it was content for the Executive to proceed as proposed. The initial priority would be to explore mechanisms that would enable AFBI to reinvest commercial profit in order to grow income and support the financial viability of the organisation. In the meantime, where staff were keen to establish spin-outs using AFBI IP, each case would be considered on its own merits.

Exec

10.	Governance Issues – Standing Items	Action
10.1	<u>AFBI Risk Management</u>	
	The Executive informed the Board that there were no changes to report to the Corporate Risk Register and there were no reports of any new or emerging risks.	
10.2	<u>Whistleblowing and Fraud</u>	
	The Executive informed the Board that a member of staff had been suspended without prejudice pending an investigation of alleged misconduct. Other than a brief outline of the case, the Executive was not in a position to provide any further details as matters are still under investigation. The Board asked to be kept updated as appropriate on developments.	Exec
	There were no other incidents to report and the Executive confirmed that two previous cases had been concluded.	
10.3	<u>Health and Safety</u>	
	There were no reports of any major health and safety incidents occurring since the last meeting.	
	The Board were advised that Mr Louis Burns, Principal Inspector with the Major Investigation Team from the Health and Safety Executive Northern Ireland would be making a presentation to the Board following the conclusion of today's meeting.	
11.	Any Other Business	
11.1	<u>Rolling Database of Issues Raised at Board Meetings</u>	
	The Board noted the changes made to the Rolling Database and, following discussion, agreed to the following changes:	
	<ul style="list-style-type: none"> • <i>Crossnacreevy Relocation</i> – as this matter is no longer a live issue the Board accepted a suggestion that it should be considered “complete” and the database noted accordingly. 	Sec
	<ul style="list-style-type: none"> • <i>SAPO4</i> – the Board agreed that this matter should be retained on the database as an ongoing issue. It was also noted that the details recorded on the database should state that a Strategic Outline Business Case is currently with DARD. 	Sec
12.	Date of Next Meeting	
	The next scheduled meeting of the AFBI Board will be held on 25 August 2010 in AFBI Hillsborough.	

Health and Safety Presentation

Following the conclusion of business Mr Louis Burns, Principal Investigator with the Major Investigation Team (MIT), Health and Safety Executive Northern Ireland, gave the Board a presentation on the work of the MIT Unit and the legislation governing Corporate Manslaughter.

The Board were appreciative of Mr Burns giving of his time to make the presentation which it found to be very useful and informative.

In turn Mr Burns stated that he was encouraged by the Board's attitude to Health and Safety matters and this view had been enhanced by the fact that he had been invited to give this presentation.

Signed: _____
(Chairperson)

Date: _____